

San Antonio

On A Mission

2003 Annual Report

City Mission: We deliver quality services and commit to achieve San Antonio's vision of prosperity for our diverse, vibrant and historic community.

Once a small settlement founded by Spanish missionaries in the early 1700s, San Antonio has grown into one of the country's major metropolitan centers. Its historic roots are the foundation for a city that today is rapidly moving forward in the 21st Century.

Old and new find common ground in the Alamo City. San Antonio's historical charm and grace are preserved in the Alamo and other Spanish missions, in its historic neighborhoods and in the colorful River Walk. Today, City leaders and the community carefully plan growth and economic development with San Antonio's history in mind. A bright economic future is in store, fueled by an innovative use of resources and a unique formula of public and private cooperation.

San Antonio, with a population of more than 1.2 million, is the ninth largest city in the United States and the third largest city in Texas. Over the past decade, its population has grown at an annual rate of almost two percent and is expected to continue at that rate. According to the 2000 Census, Hispanics make up 58.7 percent of the population, followed by Anglos at 31.8 percent and an African American population of almost seven percent. The median age in San Antonio is just under 33 years old.

Geographically, San Antonio covers more than 500 square miles and is located in Bexar County in south central Texas, one of the fastest growing regions in the state. The city is just a stone's throw from the state capital in Austin and an afternoon drive from Dallas, Houston, the Gulf Coast and Mexico.

One word describes the local economy — diverse. San Antonio is anchored by several key industries and is targeting other emerging industries to drive the city's economic future:

- The health care and biotechnology fields have an annual economic impact of \$11.5 billion and employ more than 98,000 citizens. San Antonio has become a leading research and treatment center for cancer, diabetes, heart disease and other conditions thanks to the renowned South Texas Medical Center and more than 30 other medical facilities.
- Product development, systems integration and

telecommunications equipment drive the local telecommunications industry.

- San Antonio is a recognized leader in the information security industry. The Air Intelligence Agency, a Department of Defense center for excellence in information security, calls San Antonio home.
- More than 9,500 San Antonians work in San Antonio's emerging aerospace and aviation industry, which has a \$2.5 billion annual economic impact.
- Four military bases provide paychecks to more than 150,000 citizens. However, the prospect of future base closures have called for local leaders to find ways to increase the military value of Air Force missions in San Antonio and, therefore, retain jobs vital to the community's economy.
- San Antonio is a top visitor and convention destination, with more than 20 million people choosing the Alamo City as their vacation or meeting site. Tourism employs more than 79,000 and contributes more than \$4 billion annually to the local economy.

San Antonio is a great place to live. Its cost of living, seven percent below the national average, is consistently ranked among the lowest of major U.S. cities while home prices are among the most affordable in the country. San Antonio's median household income is just over \$41,000. Public, private and parochial schools are available as well as a number of colleges and higher education facilities. A subtropical climate offers an average temperature of 70 degrees and temperatures dip below freezing only about 20 days each winter. This comfortable climate invites residents to get out and relax in beautiful municipal parks, play challenging golf courses, visit theme parks, or take advantage of other popular attractions and cultural events such as Fiesta San Antonio each April. San Antonio also is home to the two-time NBA Champion San Antonio Spurs as well as exciting minor league baseball and hockey teams.

The City of San Antonio is dedicated to upholding its mission: *We deliver quality services and commit to achieve San Antonio's vision of prosperity for our diverse, vibrant and historic community.* This annual report summarizes many of the City's remarkable accomplishments in 2003 and shows how it will build on these successes for the future. Clearly, San Antonio is on a mission.



As one of the most Hispanic-American major cities in the United States, San Antonio models the future of our country. From our economy to our demographics to our geographic location, San Antonio is ideally positioned for growth in the 21st Century. We are the second fastest-growing large city in the nation, and our unemployment rate is the lowest of major Texas cities. In 2003, San Antonio celebrated the announcement of a new Toyota Tundra plant to be built on our south side, the relocation of U.S. Army South to Ft. Sam Houston, the completion of the first municipal “go live” cyber-terrorism exercises in the country, the initial phase of major improvements to our international airport, and the introduction of a balanced growth initiative to address our quality of life.

Not only was 2003 a great year, we look forward to even better years to come. Our vision for San Antonio’s future truly encircles the world. From Japan to Canada, from the Middle East to Mexico, San Antonio’s businesses, partners, investors and people are players on the global stage. Whether it’s a Toyota truck or software for the United States military, we are making the future right here in San Antonio. Our community-based economic development plan, SA Inc., identifies key strategic industries - biosciences, telecommunications, information technology, logistics, manufacturing, aerospace, and visitor services — and we see coming growth in all of these sectors.

In addition to being a city of the future, San Antonio is a wonderful place to live, work and play in 2004. Our history and cultural diversity stimulate the imagination, whether through a bike ride along the Mission Trail or a dance performance at the Arneson River Theater. From theme parks to modern art to the world-champion San Antonio Spurs, we’ve got a lot to offer, and more on the drawing board. A \$250 million joint City/County bond issue approved by voters in 2003 will renovate parks, improve libraries, and repair streets and drainage, as well as help with the construction of a new history museum focused on San Antonio and South Texas.

While San Antonio is proud of its past, we know that we represent the future of Texas and the nation. We are truly a 21st Century city with a small-town heart and a global reach.

A handwritten signature in blue ink, appearing to read "Ed Garza", is positioned above the typed name of the Mayor.

Sincerely,
Edward D. Garza
Mayor



Patti Radle, District 5; Richard Perez, District 4; Ron H. Segovia, District 3; Joel Williams, District 2; Roger O. Flores, District 1; Ed Garza, Mayor; Christopher "Chip" Haass, District 10; Carroll W. Schubert, District 9; Art A. Hall, District 8; Julián Castro, District 7; Enrique M. Barrera, District 6; Terry M. Brechtel, City Manager

As an organization, the City of San Antonio operates under a council-manager form of municipal government. The City Council is comprised of 10 representatives elected by district while the Mayor is elected at large. The City Council sets policies that are implemented by the City Manager and its 12,000 devoted employees.



Mayor's Office	Ed Garza	(210) 207-7060
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City Council Offices		(210) 207-7040
	Fax	(210) 207-7027
District 1	Roger Flores	(210) 207-7279
District 2	Joel Williams	(210) 207-7278
District 3	Ron H. Segovia	(210) 207-7064
District 4	Richard Perez	(210) 207-7281
District 5	Patti Radle	(210) 207-7043
District 6	Enrique M. Barrera	(210) 207-7065
District 7	Julián Castro	(210) 207-7044
District 8	Art A. Hall	(210) 207-7086
District 9	Carroll W. Schubert	(210) 207-7325
District 10	Christopher "Chip" Haass	(210) 207-7276

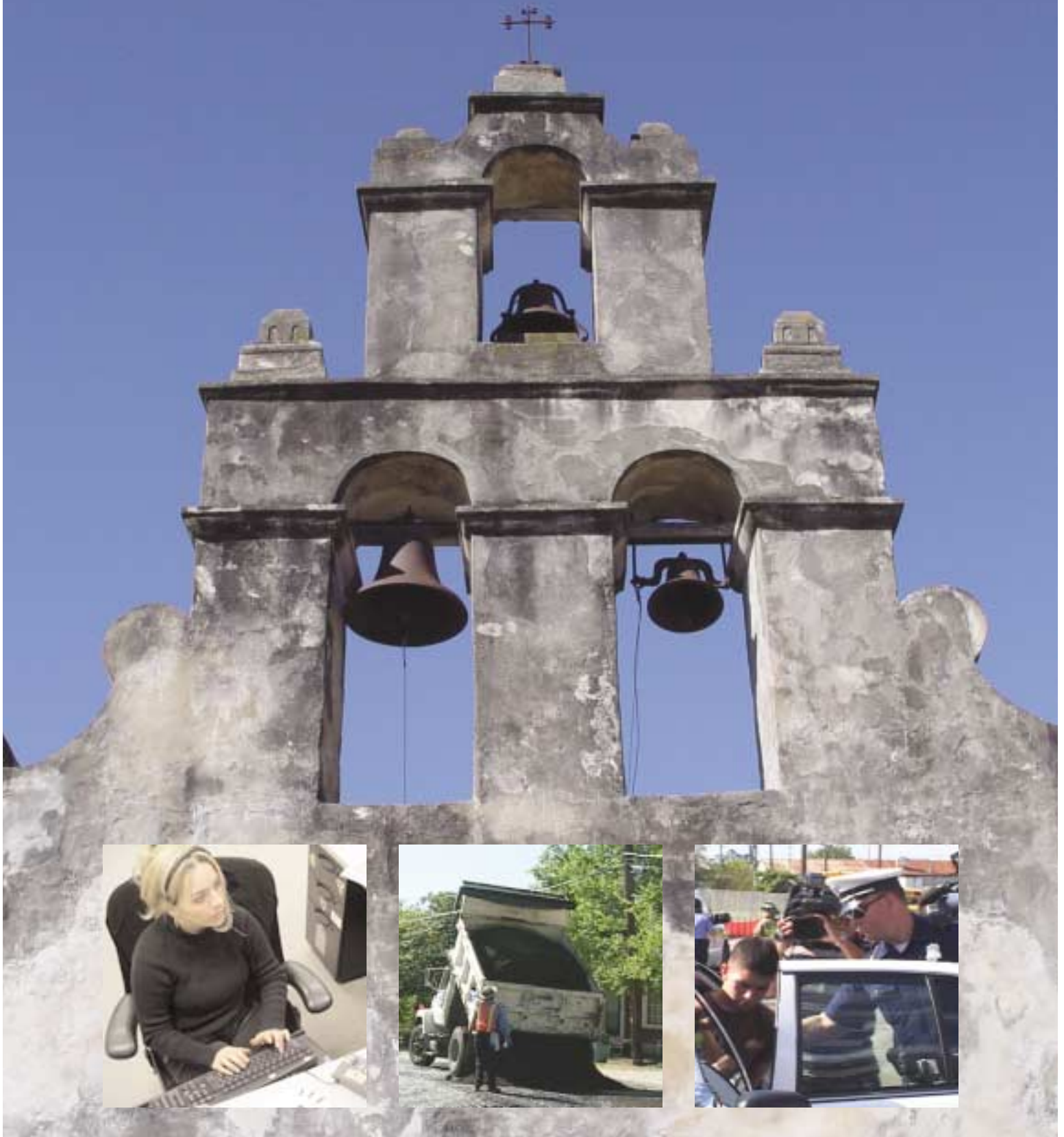


More than one million citizens and countless visitors depend on the services provided daily by the City of San Antonio and its employees. These services must be exceptional and delivered with a Customer First attitude at all times. Integrity, quality, service and teamwork are core values embraced by the City's 12,000 employees. This report offers just a glimpse of the efforts put forth by these public servants who are committed to making a difference in San Antonio.

- Terry M. Brechtel, City Manager

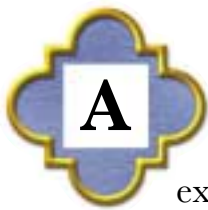


We deliver **quality services** and commit to achieve San Antonio's vision of prosperity for our diverse, vibrant and historic community.



Mission San Juan Capistrano

Mission San Juan, originally founded in eastern Texas, made its permanent home on the San Antonio River in 1731. San Juan became a regional supplier of agricultural produce because of its rich farm and pasturelands. Agriculture sustained the San Juan community as well as other missions, local settlements and garrisons in the area.



A growing city like San Antonio is challenged constantly by its ability to provide those basic services that citizens rely on every day. Rain or shine, day and night, residents expect their City government and its services to be there when they need it, whether it's street maintenance, crime enforcement, waste collection or other often-used municipal services. As the City's most important customers, they also need to know how they can get the most out of their local government. It's the City's mission to provide quality services and respond to the needs of its citizens.

Infrastructure and Transportation

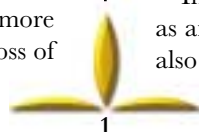
San Antonio continues to invest in infrastructure in order to support its tremendous growth. Every year, streets, sidewalks, and drainage are at the top of the list of the City's budget priorities. Voter-approved bond funds provide additional opportunities for San Antonio to improve aging streets or roads. The City also works hand in hand with the Metropolitan Planning Organization, the San Antonio Mobility Coalition and other public and private partners to address transportation issues and provide viable, cost-effective solutions. Infrastructure investment also has taken flight at San Antonio International Airport, which is undergoing a major capital transformation expected to meet future demand projections for travelers in and out of San Antonio and South Texas.

Every year, streets, sidewalks, and drainage are at the top of the list of the City's budget priorities.

- The Public Works Department maintains more than 3800 centerline miles of streets in the San Antonio area.
- The City has invested in additional equipment necessary to complete many street paving projects in-house, saving tax dollars and increasing efficiency. Today, Public Works uses City forces to complete 65 percent of its street projects.
- Public Works resurfaced almost 160 centerline miles of San Antonio streets in 2003 in an effort to improve the driving surface and extend the life of area streets.
- The department repairs almost 3,000 potholes each month. More than 95 percent of those potholes are repaired within 48 hours of request.
- The City increased funding to its Neighborhood Access and Mobility Program in 2003, adding \$1.25 million to augment an annual budget of \$2 million for preventative street repairs and construction of new sidewalks, medians, speed humps, street lights, traffic signals and school zone flashing signs.
- Last November, San Antonio voters approved \$29.4 million in street and pedestrian improvements as part of a \$115 million bond election. Voters also approved \$18.9 million in bond funds to support drainage and flood control projects throughout the city.
- The City, working cooperatively with Bexar County, the San Antonio River Authority and other organizations, created a regional flood control management program to promote more effective uses of public resources and reduce the threat of loss of life and property due to flooding and heavy rain events.



- The Texas Department of Transportation is currently in the middle of an \$861 million project to increase the vehicle capacity of Loop 410. Additional lanes, wider frontage roads and improved entrance and exit ramps will increase capacity on the Loop, resulting in shorter travel times and greater fuel efficiency for San Antonio motorists.
- More than 6.5 million passengers traveled through San Antonio International Airport in 2003.
- The City has undertaken a 10-year, \$426 million capital improvement program for San Antonio International and Stinson Municipal Airport. The program includes expanding International's parking facilities and roadway system, increasing International's terminal capacity with additional gates and passenger service areas, improving International's airfield infrastructure, and replacing and rehabilitating certain facilities at Stinson.
- Work was completed in late 2003 on \$26.8 million on concessions redevelopment and terminal renovation projects at International. Renovations included improvements to concession areas in each terminal, colorful and cultural artistic enhancements to existing passenger-gate holding rooms, the ticket lobby and baggage claim area, and new lighting, signage and flight information monitors in Terminal One.
- International Airport was honored by Airport Revenue News as an "Airport with the Most Innovative Services." The Airport also was recognized for "Best Concessions Program Design."



Public Safety and Emergency Preparedness

Like infrastructure, public safety issues can be found at the top of the list of the City's budget priorities each year. Despite limited resources, the City continues to find creative ways to increase police presence on city streets, hire additional firefighters, build new fire stations and provide other tools that ensure a safe community. Emergency preparedness and homeland security concerns have further challenged the landscape of public safety in San Antonio and also call for local leaders to find innovative solutions to important issues.



Park Police Officer

- Violent crimes in San Antonio decreased in 2003. Reductions were seen in murder rates, robbery and sexual assault cases.
- Burglary of vehicles, which had increased in recent years, declined in 2003.
- The department's Gang Detail unit identified up to 500 gang members and arrested more than 270 gang members. The unit also confiscated and removed 50 weapons from San Antonio streets and reduced gang crime by 22 percent.
- San Antonio's National Night Out event coordinated by the San Antonio Police Department was ranked by the National Association of Town Watch as the best event in the nation. More than 111,000 residents representing over 440 neighborhoods participated in this year's event.

- San Antonio Park Police provide security at 193 City parks, including the San Antonio River Walk. Park Police patrol over 15,500 acres of parkland to keep parks safe.
- Airport Police work in cooperation with security personnel from the Transportation Security Administration (TSA) to provide security at San Antonio International. TSA is responsible for the security checkpoint and screens all checked baggage. Airport Police and specially-trained dogs are part of canine explosive teams that make regular rounds through airport property.
- The San Antonio Fire Department responded to more than 65,000 fires in 2003 while EMS units were dispatched to over 101,000 incidents. The department's Technical Rescue Team was called out for 81 high water rescues during the year.
- During the 2003 year, the Fire Department's Office of Emergency Management (OEM) conducted numerous exercises to test the City's ability to respond to and recover from a terrorist attack. The drills also were designed to increase coordination with other entities during major emergencies.
- San Antonio was the first city in the country to conduct "Dark Screen" a live cyber-security exercise designed to enhance communication among multiple jurisdictions and agencies during a cyber-terrorism event.
- The Metropolitan Health District completed the first phase of the City's Smallpox Vaccination Program. Volunteers from the Health District received the vaccine and then vaccinated volunteers at local hospitals who would be the first responders in the event of an act of terrorism involving smallpox.
- Voters approved \$20.5 million in bonds for the construction of a new Emergency Operations Center. The center, also supported by County bond funds, will house City, county, state and federal personnel to gather and distribute critical information and implement responsive actions during a natural or man-made emergency or disaster.



Fire Department personnel at the Emergency Operations Center

The Environment

Waste collection probably reaches more residents directly than any other municipal service. The Environmental Services



Household Hazardous Waste Drop-off Center

Department provides collection services to more than 310,000 residences each week — trash collection twice each week, recyclable collection once each week, and brush and bulky item collection every six months and by request. These environmental programs, complemented with public education, promote cleaner and safer neighborhoods for residents. San Antonio and other regional entities also are working to improve air

quality and further protect the area's water supply in order to preserve the physical and economic well-being of the community.

- Today, the City has acquired more than 6,000 acres of sensitive land over the Edwards Aquifer Recharge Zone to safeguard San Antonio's sole source of drinking water, ensure water quality and protect unique plant and animal habitat as well as sensitive geological features vital to the region's underground water supply. In 2000, voters approved collection of 1/8 of a cent sales tax to purchase these lands to remove them from future development and turn them into valuable additions to the municipal park system.
- Currently, San Antonio is the largest city in the country in compliance with federal clean air standards. However, recent data showed that while San Antonio was compliant with most

federally regulated air pollutants, the region slightly exceeded the federal standard for ground-level ozone in 2003. The City, working with federal, state and other local governments in the region as well as residents and the local business community, is already developing a clean air plan. This plan is expected to ensure regional clean air and meet new EPA requirements set to be announced later in 2004.

- The City asked residents to "Brush Up on Brush Collection" in 2003. The Environmental Services Department redesigned its brush and bulky item collection program. By reducing the collection area, limiting the notification period for scheduled collections and enforcing collection rules, neighborhoods have become cleaner communities.

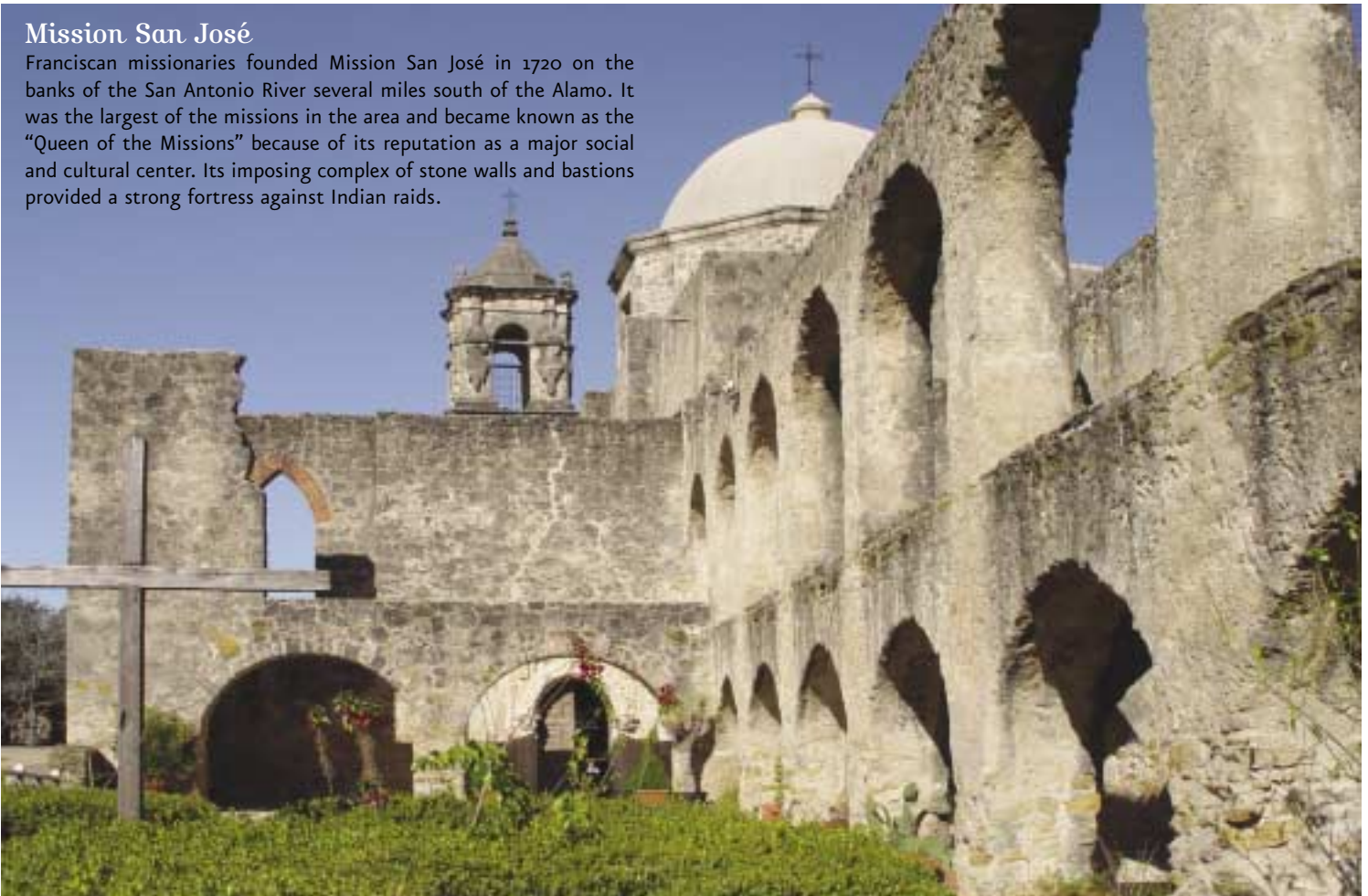
- One out of every three residents participates in the City's curbside recycling program. Last year, almost 24,000 tons of waste were diverted from area landfills through this program. However, through a program to increase awareness of the benefits of recycling, the City hopes to increase that participation rate to 50 percent in 2004.

- The City remains diligent in encouraging residents to properly dispose of household chemicals such as paint, household cleansers and garden products. More than 320 tons of household chemicals were brought to the City's household hazardous waste drop-off center for proper disposal in 2003. Many of these products, including paint, are recycled for community improvement projects such as graffiti removal.

- In 2003, City Council approved a six-month pilot program for automated trash collection to begin in the summer of 2004. The pilot will include 8,000 homes and will attempt to determine the system's effectiveness and identify operational needs for implementation city-wide.

Mission San José

Franciscan missionaries founded Mission San José in 1720 on the banks of the San Antonio River several miles south of the Alamo. It was the largest of the missions in the area and became known as the "Queen of the Missions" because of its reputation as a major social and cultural center. Its imposing complex of stone walls and bastions provided a strong fortress against Indian raids.





Photos Page 4

(Top) Customer service representatives at the Development and Business Services (DBS) Center (Bottom, left) Community Link customer service center in South Park Mall (Bottom, right) The DBS Center at night

Photo Page 5

The HALL, an award-winning program on TVSA, the City's cable television channel.



Serving Our Customers

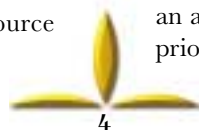
Customer service is always one of the City's top priorities. In fact, every City employee is guided by a "Customer First" philosophy that promises "to deliver exceptional service citizens can trust." Every day, the City looks at new ways to make many municipal services more accessible and convenient for residents. Imagine the City open for business 24 hours a day, seven days a week. Thanks to technology, many of those ideas have already become a reality.

- More than 122,000 customers request services each year at one of the City's four Community Link Service Centers. The centers are open in evenings and on Saturdays and are spread in convenient, geographic locations across the Alamo City. Friendly, helpful employees help residents pay parking or traffic tickets, obtain building permits, buy pet licenses, get birth certificates or request dozens of other services.
- Residents can simply pick up a phone and dial 311 to request City services, 24 hours a day, seven days a week. Last year, the City's 311 Call Center received over 855,000 calls from citizens who needed information on City services and events or who requested services such as pothole repairs or stray animal collection.
- The City embarked on an enterprise-wide software system in 2003 that will improve the organization's ability to respond to citizens' requests. Through the Enterprise Resource

Management (ERM) Project, new software applications will allow information and requests to be shared, tracked and expedited faster. The result will not be a step forward but a leap from old business processes to a new municipal government that is more productive, effective and responsive through technology.

Every day, the City looks at new ways to make many municipal services more accessible and convenient for residents.

- The City opened the Development and Business Services Center in 2003 to make it easier for developers to obtain building permits, have building plans reviewed or receive assistance with zoning, platting or other development-related tasks. The center also utilizes new land development software to manage the issuance of building permits, trade licenses, building plan reviews and complete other tasks. The system even allows customers to request building permits and schedule inspections online.
- The Council Action Team continues to be recognized as one of the most innovative concepts in municipal government. The team, comprised of five employees who each are assigned two council districts, works with city council members and staff to effectively and efficiently resolve citizen's complaints and provide an accountable point of contact for council members to address priority service delivery issues.



Communicating Our Message

The City uses a variety of tools to inform and educate residents about all of the services it provides. From the government cable access channel to the City's Internet website to citizen education academies, residents have a number of opportunities to stay in touch with their City government.

- Citizens can tune in to TVSA, the City's cable television channel, for City Council meetings, weekly reports from the Mayor, City Manager and other officials, news-making events, talent shows and other programs. Council meetings and other shows are



closed captioned for the hearing impaired. TVSA also has introduced bilingual shows to its programming lineup and will continue to increase programming for its Spanish-speaking audience.

- One of TVSA's most popular programs, The HALL, received five awards in 2003 from state and national professional organizations. The HALL is a 30-minute newsmagazine produced in-house by the Communications Office featuring stories on a variety of City issues, people and innovative services.

- The City's website, www.sanantonio.gov, is a valuable information tool that can be accessed 24 hours a day. The site receives more than 140,000 requests a day from local, national and international customers seeking information on San Antonio and the services provided by its municipal government. Every department plays an active role in disseminating comprehensive information through the website on City issues or events. It also plays a critical role in providing information during emergencies such as floods or ice storms.

- Several City departments have created citizen academies to help residents gain a greater understanding of how their department works and the services it provides. This year, through the Citizens Public Works Academy and the Environmental Ambassadors Program, neighborhood leaders were invited to learn more about the two departments. The meetings also provided an avenue for staff to receive valuable feedback on how each department could improve its services.



Mission San Francisco de la Espada

Mission Espada was originally founded in 1690 as San Francisco de los Tejas, the first mission in Texas. In 1731 it was transferred to the San Antonio River and renamed. Through Mission Espada, Franciscan missionaries taught Native Americans vocational skills such as blacksmithing, weaving, masonry and carpentry. After secularization, these vocational skills proved beneficial to the post-colonial growth of San Antonio. The mission's irrigation system, or acequia, continues to carry water to the mission and neighboring farm lands today.



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San Antonio is one of the fastest growing metropolitan areas in the country. Despite the country's slower economic times and tighter local resources in 2003, the City continued its mission to be proactive and innovative in seeking new ways to thrive and build for a prosperous future.

One word is often used to describe San Antonio's economic success in 2003... Toyota.

Economic Development

One word is often used to describe San Antonio's economic success in 2003... Toyota. In February, Toyota announced it would build its sixth North American vehicle assembly plant in south San Antonio. The plant, which would mean 2,000 new, high-paying jobs, will result in an \$800 million investment in San Antonio's south side and spur additional commercial and residential development in the area. However, the announcement was only one of several promising economic stories for the Alamo City in 2003.



Manufacturing and repair facility at KellyUSA

- U.S. Army South completed its relocation from Puerto Rico to San Antonio in the fall of 2003. Army South, a component of U.S. Southern Command responsible for providing defense assistance to Latin American and Caribbean countries, added 500 military and civilian jobs to San Antonio and an estimated payroll of \$25.5 million.
- The City, working in partnership with the Greater Kelly Development Authority (GKDA), continues to transform the former Kelly Air Force Base into an international, multi-modal use airport and industrial park. More than 85 percent of KellyUSA's marketable facilities have been leased by commercial companies and Air Force agencies employing more than 12,600 people. Major commercial employers include Boeing, Lockheed Martin,

Standard Aero, General Electric and others. GKDA began Phase II of KellyUSA's development in 2003, initiating 16 projects expected to propel the park's development and increase its annual economic impact from \$2.5 billion to \$4.3 billion.

- Today, the City continues to provide municipal services to Brooks City-Base and leverages business incentives in an effort to create and sustain a technology and business park at the former Air Force base. The City assumed ownership of the base's land and facilities in 2002 in an effort to enhance the military value and reduce the cost of its Air Force missions.
- Conservative financial management allowed San Antonio to maintain high credit ratings with New York bond rating agencies in 2003. These ratings increase the City's ability to finance debt on capital improvement projects such as streets, drainage facilities and libraries, at a favorable interest rate.
- The City's encouraging economic activity and disciplined, long-range debt management plan allowed it to initiate another general obligation bond election in 2003. The 2003 election was the first time the City and Bexar County held a joint bond election. The City holds bond elections every four or five years for the purposes of providing much-needed infrastructure and facilities to complement its tremendous growth. Three successful bond elections since 1994 have resulted in \$364.9 million for capital improvements. Positive growth and debt management also allowed the City to save \$85 million over the last 11 years through refunding issues of general obligation bonds.
- Through new and innovative financings in 2003, the City issued \$24.7 million in economic development bonds, to be combined with \$11 million from the Economic Development Administration and Toyota, to support development around the Toyota vehicle manufacturing facility. The City also is taking advantage of good credit ratings to issue \$44.1 in drainage utility bonds and sell passenger facility charge revenue bonds to support over \$400 million in major capital improvements at San Antonio International Airport.
- The City and Bexar County received a \$3 million grant from the U.S. Department of Commerce to fund infrastructure improvement costs around the Toyota site.



It's important for a multi-cultural city like San Antonio to strengthen relationships with foreign countries and utilize these relationships to promote international business opportunities for local companies.

- The City utilizes a number of incentives for attracting and retaining businesses to give San Antonio a competitive edge in the marketplace. Such incentives include tax phase-ins, enterprise zone project designations, small business services, workforce development programs and many others. Utilizing these resources, the Economic Development Department created and retained more than 3,500 jobs in 2003.

- The City Council created a \$12 million Economic Development Incentive Fund in late 2003 to attract large-scale businesses in targeted industries. The fund also will allow for other significant investments that will serve as economic generators measured by new job creation and economic impact to the local economy while leveraging investment in other entities.

- The City's Procurement and Technical Assistance Center assisted more than 650 area businesses to identify and compete for over 300 contracts totaling \$60 million to small, minority and women-owned businesses.

- The downtown skyline continues to change. The Hotel Valencia, a 213-room, full service hotel located next to the River Walk, opened in 2003 and complements the City's ongoing revitalization of historic Houston Street that includes unique shops, restaurants and entertainment venues. Additionally, La Quinta has begun construction of a 14-story flagship hotel near the Convention Center.

International Affairs

It's important for a multi-cultural city like San Antonio to strengthen relationships with foreign countries and utilize these relationships to promote international business opportunities for local companies. San Antonio, through its International Affairs Department, maintains the community's global interests with 16 foreign cities and 14 countries by conducting trade missions, hosting international dignitaries and visitors, and coordinating other activities with the Alamo City's international partners.

- San Antonio's 18-year relationship with Japan played an important role in the decision by Toyota Motor Corporation to locate its sixth North American assembly plant on the city's south side.

- During 2003, International Affairs coordinated nearly 200 inbound and outbound delegations, which included over 1500 delegates. Delegations visited San Antonio from Germany, Israel, Mexico, Japan, Canada, Argentina, Taiwan, Belgium, Spain, Canary Islands, Ireland, China, France, Russia, Poland, Morocco and Great Britain.

- Through the CASA San Antonio Program, the department's international business division served 553 clients generating an estimated \$19.7 million in international trade for San Antonio.

Planning, Development and Growth

San Antonio is one of the fastest growing cities in the country. However, in the midst of that growth is a renewed focus on building livable communities and maintaining a high quality of life for residents. In an effort to build a better San Antonio, the City has made investments in a number of tools that will ensure sustainable development and encourage new residential and commercial growth.

- New homes and neighborhoods are popping up all over San Antonio. The City issued 6936 residential building permits in



2003, compared to 6348 in 2002. The number of permits has climbed every year since 2000.

- The City opened the Development and Business Services (DBS) Center in April to streamline the development process and provide a convenient, more accessible location for the development community to conduct business with the City. Customers can utilize the center for help with permits, inspections, plan reviews, zoning, platting and other services.

- Through the Southside Balanced Growth Initiative, the City is spurring new investment in the southern sector of San Antonio in order to balance the growth and development experienced over the last few decades by the city's booming northside. New and progressive zoning districts were established for this 57-square mile area to: encourage the development of attractive and sustainable neighborhoods; support pedestrian-oriented transit alternatives; protect natural resources and open space; and provide a wide range of housing options. The initiative will receive a tremendous boost with the construction of a Toyota vehicle assembly plant, the decision to locate a Texas A&M campus within the area, and the additional commercial investment the southside is expected to experience.

- To implement the Southside Initiative, the City worked with state lawmakers to gain the ability to create a defense adjustment management authority on San Antonio's southside. The purpose of this special purpose district will be to foster economic development, promote land use controls and enhance educational opportunities for public schools in the area.

Utilizing Technology

New technologies are changing the way citizens do business with their local government. The City of San Antonio is making a tremendous investment in technology in an effort to improve customer service, enhance public safety, encourage economic development and facilitate a multitude of other important municipal functions.

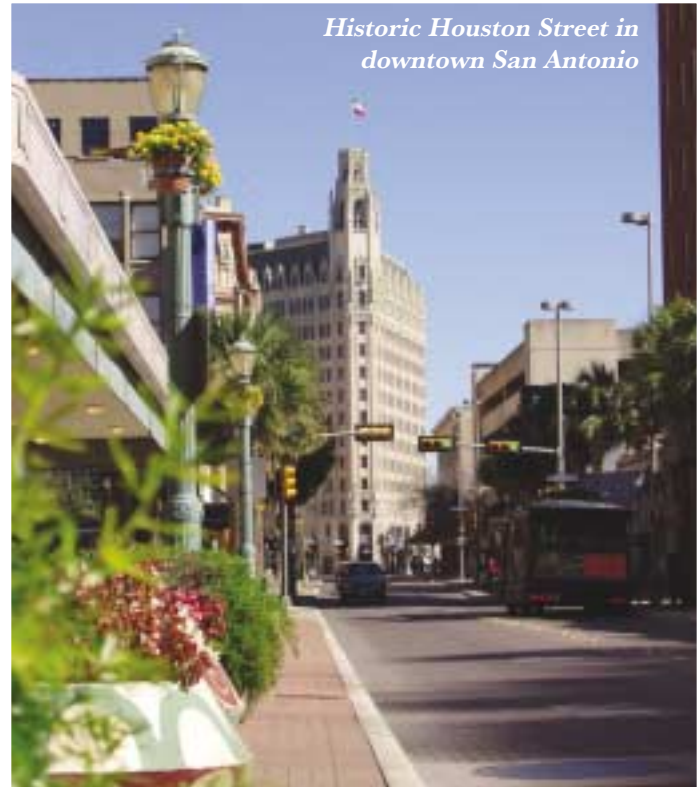
- The City currently is transitioning from outdated, stand-alone computer systems to enterprise-wide software applications that will allow departments to share information better, increase efficiency, reduce paper trails, and allow citizens more convenient access to certain services by providing those services online. Through the Enterprise Resource Management (ERM) Project, the City is bringing every department together with one integrated system. Phase one of the ERM system was launched in 2003. In 2004, ERM will change the City's everyday business functions such as finance, accounting, procurement and materials management, human resources and payroll, while enabling the City to track and expedite customer requests more effectively.
- Through ERM, the City introduced new land development software to manage the issuance of building permits, trade permits and licenses, building plan review and other vital development functions. The new software has already enhanced customer service. One out of every four building permits is issued online while 14 percent of all inspections are scheduled using the center's website.
- The San Antonio Police and Fire Departments in 2003 continued development of a new public safety dispatch system that utilizes digital technology. The new system will be launched in 2004 and increase coverage area, transmit calls with more clarity, and provide additional, integral information to dispatchers on 911 and non-emergency callers.
- In an effort to reduce congestion and improve air quality, the City's Public Works Department is installing Video Imaging Vehicle Detection System cameras at many of San Antonio's busiest intersections. These devices monitor the amount of vehicles at each intersection and send electronic messages to a traffic control unit that adjusts signals to keep traffic moving more effectively.
- The City's Internet homepage, www.sanantonio.gov, continues to be an important tool used not only to disseminate information to residents and visitors but also to make services more convenient by offering them online. Through the use of technology, more



ed with building permits, inspections and other development services.

than \$1.8 million was collected last year through services such as an online municipal court payment system for traffic tickets and other fines and through fees associat-

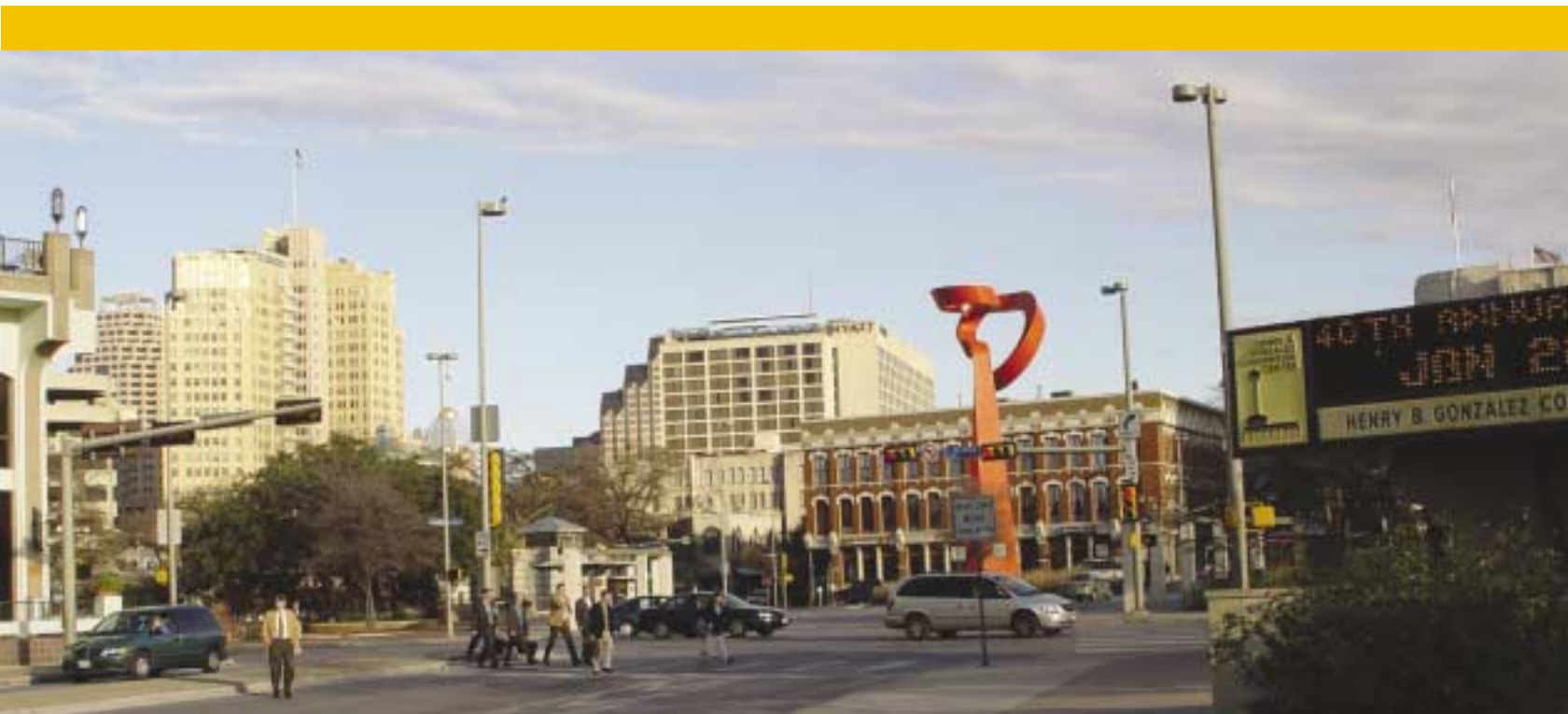
- Municipal Court implemented a new document imaging system in 2003 to electronically store all court documents. The system reduces paper files while increasing the security of court files and allowing those files to be retrieved in a shorter period of time. Each year, roughly 2.5 million documents will be entered into the system.



Adopting a Budget

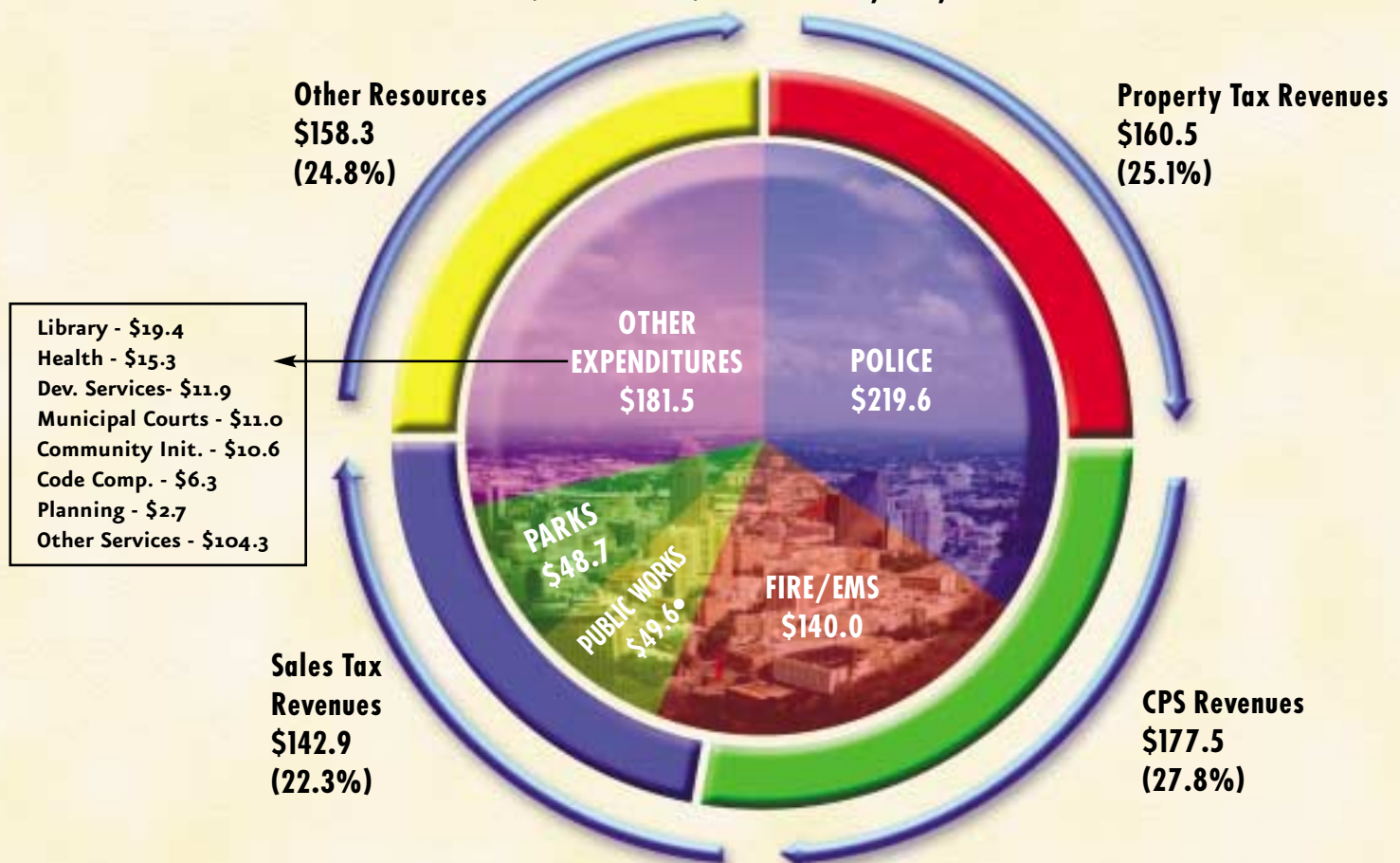
The adopted budget for the City's 2004 fiscal year eliminated a projected General Fund shortfall through a combination of reductions and redirections designed to minimize the adverse impact on the City's delivery of priority services. Despite the challenging shortfall, the budget was adopted without a property tax increase for the eleventh consecutive year. Although resources are limited, the adopted budget still provides for targeted investments in City Council priority areas such as neighborhood infrastructure, flood control, military base redevelopment, human development and environmental programs.

- The three primary sources of revenue that support municipal services come from property taxes, the City's share of City Public Service (CPS) revenues, and a share of local sales tax receipts.
- San Antonio's property tax rate is one of the lowest in Texas. The average homeowner pays just over \$500 a year in property taxes for municipal services (for a home appraised at \$93,637).
- Through use of one-time revenues generated from CPS revenues, investments were made in City Council priority areas such as infrastructure, public safety, elderly services, neighborhoods, economic development, employee services, human development, accountability and customer service.
- \$3.2 million in savings and new revenues were generated from recommendations made by City employees through an exercise called the Bottom-Line Strengthening Program.



Downtown San Antonio, featuring the Torch of Friendship

FY 2004 ADOPTED GENERAL FUND AVAILABLE RESOURCES DISTRIBUTED OVER MAJOR SPENDING AREAS
(in millions) Total= 639,440,515



We deliver quality services and commit to achieve San Antonio's vision of prosperity for our **diverse, vibrant and historic community.**



S

an Antonio already is a great place to live. However, City leaders have continued to target and invest in resources and facilities that add to a higher quality of life. From parks and libraries, to arts and culture, to a renewed focus on neighborhoods and human development, it's the City's mission to provide opportunities for its citizens to grow and prosper.

Parks and Recreation

The Parks and Recreation Department operates the City's recreational and cultural programs and maintains 193 facilities including parks, swimming pools, gymnasiums, cemeteries, recreation centers, golf courses, the Tower of the Americas, and historic facilities. The department maintains more than 15,500 acres of park land.

- The River Walk, maintained by the Parks Department, upheld its status as Texas' premier visitor destination. More than seven million visitors and residents strolled down this three-mile, cobblestone stretch of the San Antonio River in 2003. Work is underway to create extensive hike and bike trails along the river beyond downtown as part of an ongoing project to



San Antonio's first skate park at Springtime Park

breathe life into San Antonio's historic Mission Trails.

- Currently, as many as 78 additional park projects are under construction, bidding or design. Included in these projects are \$27.2 million in park projects approved as part of the November 2003 bond election. \$5.8 million of those bond funds is set aside for improvements to existing youth sports facilities and for the development of new City-owned sports fields.

- Phase I of a two-part renovation project in historic Brackenridge Park was completed in April. Improvements include new picnic facilities, pedestrian lighting, river wall and river bank restoration, a new playground and other enhancements. Phase II is underway and will be

completed in 2005.

- San Antonio's first two skate parks were completed in 2003. One of the parks will serve as a skate park during the cooler months and as a pool during the summer months.

- Work began on San Antonio's first dog park that will allow dogs to roam free and include amenities such as fire hydrants and a water fountain for pets as well as adults.
- 25,900 children participated in the City's After School Challenge Program. This partnership with eight area school districts provides a location for children to receive homework assistance, tutoring and recreational activities after school hours.
- More than 234,000 rounds of golf were played at San Antonio's six municipal golf courses in 2003.



Brackenridge Park Municipal Golf Course

Libraries

The San Antonio Public Library System, which celebrated its centennial anniversary in 2003, includes the vibrant downtown Central Library and 19 branch locations. The Library owns more than 1.8 million materials, including more than 500,000 different titles.

- More than 500,000 people participated in the Library's centennial anniversary events.
- Glass artist Dale Chihuly designed a colorful sculpture for the Central Library's atrium that commemorated the Library's 100th birthday.
- Over five million items were checked out at Central Library, branch libraries and bookmobiles in 2003.
- Little Read Wagon, an emergent literacy program that works with parents and caregivers of young children, reached almost 24,000 individuals last year.
- As many as 25,000 newborns were introduced to Library services through the San Antonio Public Library Foundation's Born to Read initiative. All babies born in San Antonio were presented with two books; a library card application; gift certificate for a free book from the Library's Book Cellar; a gift certificate for a free CD of lullabies; and a Born to Read video.
- More than 31,000 children and young adults registered for the Library's Summer Reading Program.
- Ground was broken on a new 15,000 square foot branch library on Military Drive in west San Antonio. The Henry A. Guerra, Jr. Branch Library is set to open in the spring of 2004.
- Through the 2003 bond program, voters approved \$3.965 million to construct new library facilities and renovate and equip existing facilities.
- 2003 bond funds will be used to provide library services to the community through another joint project between the City and the North East Independent School District at a new Roosevelt High School facility. The City also provides branch library services to the community through cooperative use of Reagan High School's library.



Chihuly sculpture at San Antonio's Central Library



Mission Concepción

Mission Concepción was originally founded as one of four missions developed in eastern Texas to serve as a buffer against the threat of French incursion from Louisiana into Spanish territory. Concepción moved to the San Antonio River in 1731. Missionaries hosted religious festivals in an attempt to replace traditional Native American rituals with Christian pageantry. Today, Concepción serves as an excellent example of Spanish colonial architecture and looks almost as it did 200 years ago.

Neighborhoods

San Antonio takes great pride in its sense of community. While new residential development continues to expand, the City also is targeting the revitalization of existing neighborhoods and helping citizens realize the American dream of home ownership. Still, the City directs resources to address problems in older neighborhoods, increasing home values and helping residents maintain pride in their community.

- Last year, the City helped 98 families purchase their first homes. Through the Neighborhood Action Department's Homeownership Incentive Program, the City provides down payment assistance, homebuyer classes and credit counseling to eligible families in an effort to help them purchase their first home.
- Through the Housing Asset Recovery Program, the City rescued and moved 16 homes from floodplains or from demolition and restored them for resale. The program preserves the unique character of early 20th Century homes, revitalizes other neighborhoods with the infusion of new houses, and provides affordable homes to eligible buyers.
- The nationally-recognized Neighborhood Targeted Sweep Program continued to empower neighborhood organizations to clean up their community. Through the two-week sweeps, the City collects brush and bulky trash items, paints over graffiti, picks up stray animals, repairs potholes, develops long-term problem-solving and revitalization plans and completes other improvement projects to help restore pride in designated neighborhoods.



Code Compliance officer

- The Code Compliance Department improves local neighborhoods by enforcing City ordinances designed to stabilize and reverse deteriorating conditions in those communities. Code Compliance completed more than 442,000 inspections in 2003, responding to citizens' requests and through proactive enforcement. As a result, almost 11,700 structures and vacant lots were cleaned and secured while

other code violations were remedied.

- The Neighborhood Commercial Revitalization (NCR) Program empowers community groups to restore the productivity of underused neighborhood business areas and support economic reinvestment in targeted business districts. The NCR's eight targeted business districts saw private investment of more than \$39 million in 2003, resulting in 800 jobs created by 38 new businesses.
- The City, through the Graffiti Wipeout Program, is combining and coordinating resources with Bexar County, City Public Service, San Antonio Water System, VIA, Texas Department of Transportation and other public agencies to address graffiti in San Antonio. The effort calls on citizens to help reduce and remove graffiti on street corridors, in parks, on utilities, at bus stops and on highway overpasses.

Health

The San Antonio Metropolitan Health District, which operates as a City department, is charged with providing preventative health services, health code enforcement, environmental monitoring, clinical services, disease control, animal care, health education and other similar services. The District manages common challenges that San Antonio and other cities are facing today such as reducing leading causes of death, lowering teen pregnancies, addressing childhood health issues, assessing changing environmental conditions and more.

- The Health Department administered more than 43,600 influenza shots at public health clinics and outreach sites in 2003.



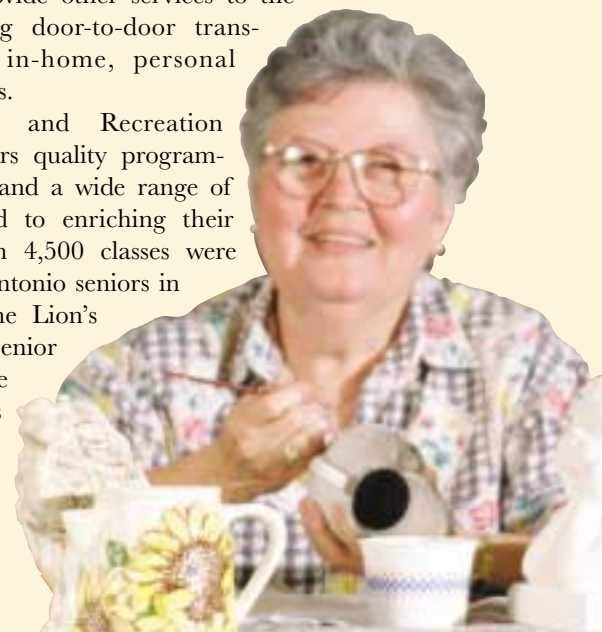
Health District nurse administers flu shot.

- The department offered seven back-to-school immunization clinics and provided more than 10,000 immunizations.
- The Health District's immunization division distributed over 157,000 doses of Hepatitis A vaccine in 2003 in order to meet a new state requirement for children entering school and day care centers.
- The department inspected more than 57,000 establishments that serve food, including restaurants, schools, and mobile vendors, to ensure they meet local health code requirements.
- Mayor Ed Garza led an effort to increase public health by calling for all food service establishments to enclose smoking areas or become smoke-free establishments. City Council passed an ordinance designed to decrease citizens' exposure to second-hand smoke and provide for a more pleasant atmosphere in restaurants, bars and similar establishments.
- Last year, Project Worth, the City's interdepartmental teen pregnancy prevention program, reached more than 2000 youth and 300 parents with a simple message — "Waiting Is Worth It." Bexar County's school-age birth rates fell by 25 percent in the last seven years, but remain nearly twice the national average.
- The Animal Care Division responded to more than 76,000 calls and removed over 52,500 stray animals from San Antonio neighborhoods last year.
- \$15 million in 2003 bond funds were approved by voters for the construction of three municipal health facilities: a \$12.1 million animal care facility to replace an existing, antiquated facility; \$2.5 million to construct a senior citizen multi-services and health center in the Medical Center area; and \$400,000 to be used for a comprehensive health care facility on San Antonio's east side.

Human Development

City leaders continue to see early childhood education, literacy, workforce development and other human development issues as important building blocks for San Antonio's future. Through the Department of Community Initiatives, the City coordinates public and private investment strategies that serve to raise the education and skill level of San Antonio's workforce, promote family economic success, provide a community safety net and contribute to a better quality of life for citizens. Each year, the department invests more than \$100 million in human development programs, from school readiness and job training to homelessness assistance and senior services.

- Through the Kindergarten Readiness Project, the City helped more than 5,000 parents and caregivers develop school readiness skills to better prepare their children for the challenges of academic schooling.
- More than 2,500 students graduated from high school and earned a San Antonio Education Partnership scholarship in 2003. Last year, \$900,900 in Partnership scholarships was awarded. The Partnership encourages students to stay in school and pursue higher education by providing advising services, college preparation activities and scholarships to students who graduate with a 95 percent attendance rate and an 80 percent grade point average.
- 10,614 citizens participated in literacy and adult education classes offered by the City in 2003.
- Through the Volunteer Income Tax Assistance program, the City helped prepare nearly 10,000 tax returns for eligible residents, resulting in nearly \$13 million in tax refunds returning to the residents of San Antonio.
- The City contracts with 16 organizations to operate 28 homeless programs serving almost 2,800 homeless clients. Many of these programs provide utility assistance, transitional living sites, and case management that helps clients return to personal independence and greater economic self-sufficiency.
- Bexar County's senior population is expected to increase by 116 percent by the year 2040. The Joint City/County Committee on Elderly Affairs was created in 2003 to assist City Council and Bexar County Commissioners with important policy issues concerning citizens aged 60 years and older.
- The Comprehensive Nutrition Project served almost 900,000 meals to senior citizens at 66 sites last year. Additionally, the City continued to provide other services to the elderly including door-to-door transportation and in-home, personal assistance services.
- The Parks and Recreation Department offers quality programming to seniors and a wide range of activities devoted to enriching their lives. More than 4,500 classes were offered to San Antonio seniors in 2003 through the Lion's Field Adult and Senior Center and the Commander's House.



Culture and the Arts

It's no secret, arts and culture have a tremendous affect on a city's quality of life. Every day, San Antonio takes full advantage of its history and its multi-cultural heritage to enrich the lives of citizens and to embrace its visitors. While San Antonio's arts and cultural diversity is supported strongly by dedicated individuals and organizations, the City must continue to plan for its cultural future.

- The Office of Cultural Affairs began the city's first in-depth community cultural planning process in 2003. The mission of the Cultural Collaborative, which brings together public, private and cultural sectors, will be to develop a dynamic, implementation-oriented cultural plan for a strong, lively and sustainable arts and cultural community in San Antonio.
- The City awarded \$2.39 million in grant funds to 34 local arts organizations in 2003.
- Again in 2003, the City, through Cultural Affairs, promoted arts and cultural events that are indigenous to



San Antonio such as Contemporary Art Month, Juneteenth, the International Accordion Festival, FOTOSEPTIEMBRE and Día de los Muertos.

- The City of San Antonio plays an active and critical role in coordinating a variety of annual cultural celebrations, including Fiesta, the Martin Luther King Jr. Commemoration, a Diez y Seis Celebration, Veterans' Day activities and other unique events. Fiesta, an elaborate 10-day celebration that injects over \$200 million in to the local economy, offers participants the chance to experience a myriad of cultures that have contributed to San Antonio's colorful history. Each year, up to 50,000 San Antonians march through the city's eastside to honor the legacy of Dr. King.
- The Smithsonian has begun construction of a 15,000 square foot museum in downtown San Antonio called Museo Americano. Through collections, exhibitions and educational programming, the museum will tell the social and cultural history of the Latino experience in America. The City is contributing \$400,000 to the project.



San Antonio Parks & Recreation Fandango Dance Troupe



Visitors

Tourism is the second largest industry in the Alamo City and pumps \$4 billion annually in to the local economy. Almost 20 million visitors travel to San Antonio each year. Three out of every four of those visitors come for a stroll down our colorful River Walk and its unique restaurants, shops and nightclubs, take in the City's rich history and culture, or enjoy a day at one of the area's exciting theme parks. As a convention destination, other visitors find San Antonio an inviting place to do business during the day and relax at night. And locals as well as out-of-towners come to the Alamodome and other facilities for sporting events, concerts, conventions and a variety of other events.

- A recent visitor profile ranked San Antonio as the best in "satisfaction and value" when compared to other competing visitor destinations.
- The San Antonio Convention and Visitors Bureau (SACVB) booked more than 700,000 room nights in area hotels last year.
- 1.16 million potential visitors logged on to sanantoniiovisit.com to find out more about visiting San Antonio. The figure represented a 57.2 percent increase from 2002.
- More than 600,000 people attended one of 386 events held in the recently-expanded Henry B. Gonzalez Convention Center, Municipal Auditorium and the Lila Cockrell Theater.
- Meetings South named the Convention Center the Best Convention Center in the industry. The magazine polled readers to find out the top 25 destinations for business travelers.
- 2003 marked the tenth anniversary of the Alamodome. The dome has hosted almost 1,200 events and more than 17 million visitors over its first decade. In 2003, the dome was the site of 150 events including the NCAA Men's South Regional Basketball Tournament, the ESPN X-Games Global Championships, the San Antonio Spurs Championship Celebration and more. In 2004, the dome will host the NCAA Final Four for the second time.
- San Antonio was the only city to receive both a men's and women's national championship when the NCAA designated the Alamodome as the site for its 2008 Men's Final Four and 2010 Women's Final Four.
- Nelson Wolff Municipal Stadium was named one of the top Class AA minor league stadiums in the country by Baseballparks.com. More than 250,000 people attended over 150 events, including minor league, high school and college baseball games, at the stadium in 2003.

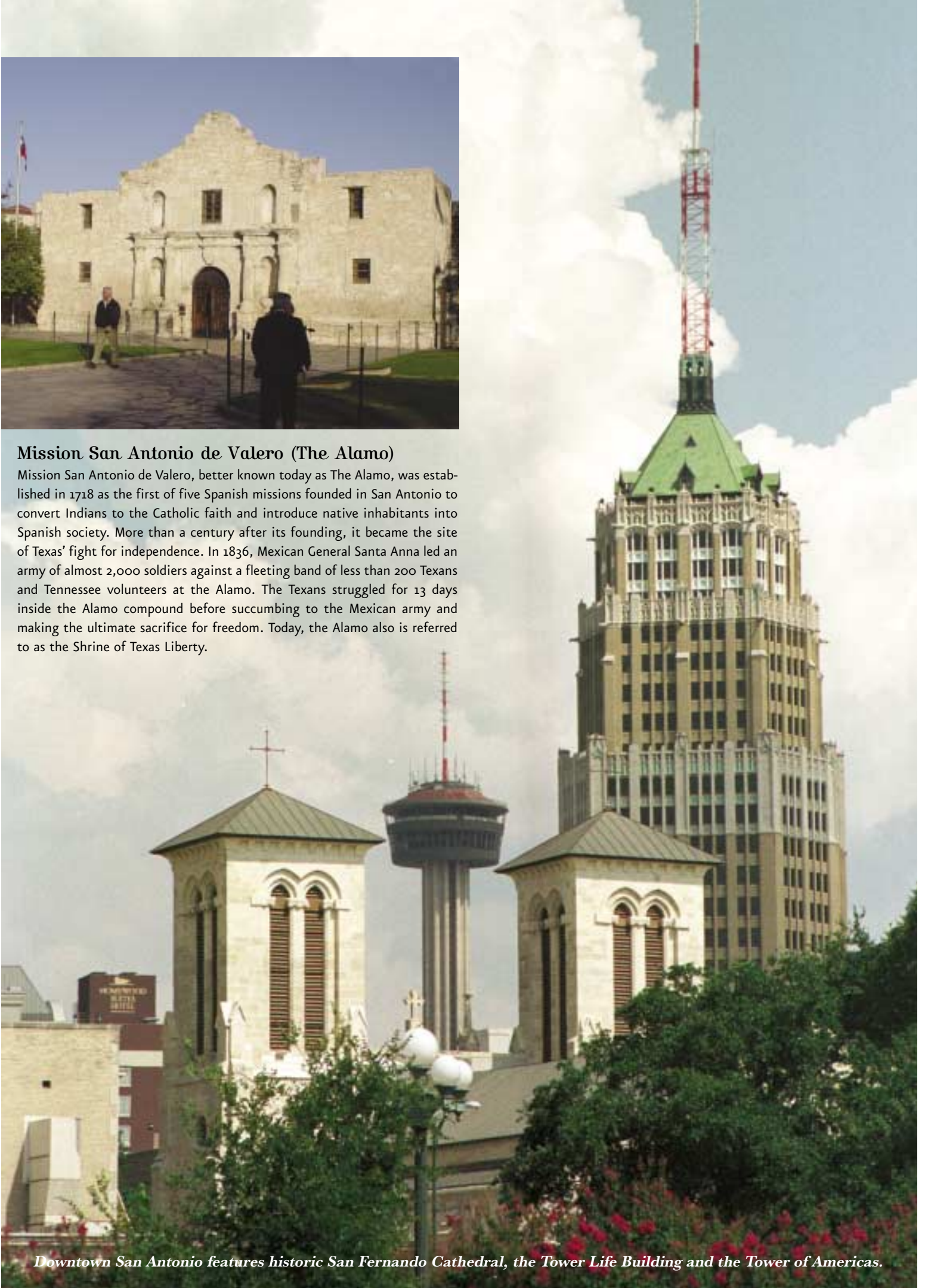


Photos this page: (Left) San Antonio Spurs celebrated their second NBA Championship on the River Walk. (Top) Fiesta San Antonio is celebrated every April. (Middle) Barge and restaurants along the San Antonio River Walk (Bottom) The Alamodome hosts the Alamo Bowl and other major events.



Mission San Antonio de Valero (The Alamo)

Mission San Antonio de Valero, better known today as The Alamo, was established in 1718 as the first of five Spanish missions founded in San Antonio to convert Indians to the Catholic faith and introduce native inhabitants into Spanish society. More than a century after its founding, it became the site of Texas' fight for independence. In 1836, Mexican General Santa Anna led an army of almost 2,000 soldiers against a fleeting band of less than 200 Texans and Tennessee volunteers at the Alamo. The Texans struggled for 13 days inside the Alamo compound before succumbing to the Mexican army and making the ultimate sacrifice for freedom. Today, the Alamo also is referred to as the Shrine of Texas Liberty.



Downtown San Antonio features historic San Fernando Cathedral, the Tower Life Building and the Tower of Americas.



City of San Antonio Departments

City Manager	Terry Brechtel	207-7080
Deputy City Manager	J. Rolando Bono	207-7082
Assistant City Manager	Melissa Byrne Vossmer	207-7080
Assistant City Manager	Christopher J. Brady	207-7080
Assistant City Manager	Jelynn L. Burley	207-7080
Assistant City Manager	Frances A. Gonzalez	207-7080
Assistant to the City Manager	Roland A. Lozano	207-7885
Assistant to the City Manager	Erik J. Walsh	207-7080
Alamodome	Michael Abington	207-3663
Asset Management	Rebecca P. Waldman	207-4032
Aviation	Kevin Dolliole	207-3450
City Attorney	Andrew Martin	207-8940
City Auditor	Patricia M. Major	207-8420
City Clerk	Yolanda Ledesma (Acting)	207-7253
City Council Offices	Gayle McDaniel	207-7040
Code Compliance	Martin G. Rodriguez	207-8200
Community Initiatives	Dennis Campa	207-7135
Convention & Visitors Bureau	Melvin Tennant	207-6700
Convention Facilities	Michael Sawaya	207-8500
Cultural Affairs	Felix Padron	207-8483
Customer Service/311 System	Antonio A. Bosmans	207-3312
Development Services	Florencio Peña	207-8259
Economic Development	Ramiro A. Cavazos	207-8080
Enterprise Resource Management (ERM)	Troy Elliott	207-5870
Environmental Services	Daniel V. Cardenas	207-6440
External Relations	Jim Campbell	207-8109
Communications Office	Diane Galvan	207-7235
Finance	Milo Nitschke	207-8634
Public Utilities Supervisor	Ben Gorzell	207-8634
Fire	Robert Ojeda	207-8400
Housing & Community Development	Andrew W. Cameron	207-6600
Human Resources	Frances Gonzalez (Interim)	207-6506
Information Technology Services	Gary Moeller	207-8301
International Affairs	Elizabeth Costello	207-8100
Library	Aubrey George (Interim)	207-2500
Management and Budget	Peter Zaroni (Acting)	207-8360
Mayor's Office (Administration)	Teresa Vásquez-Romero	207-7060
(Policy)	Leilah Powell	207-7060
Municipal Court	Quentin B. Porter	207-7710
Neighborhood Action	David D. Garza	207-7881
Parks & Recreation	Malcolm J. Matthews	207-8480
Planning	Emil Moncivais	207-7873
Police	Albert Ortiz	207-7360
Public Works	Thomas G. Wendorf	207-8020
Purchasing & General Services	Janie B. Cantu	207-7260
San Antonio Metropolitan Health District	Dr. Fernando A. Guerra	207-8731

The 2003 Annual Report is published by the
City of San Antonio's External Relations Department.
External Relations Director: Jim Campbell
Communications Manager: Diane Galvan

Annual Report Editor: Scott Wudel
Annual Report Designer: Rick Garcia
Missions and Downtown Photography:
Rick Garcia and Scott Wudel
City Manager Photo: Diane Galvan
City Council Photo © Ron Herndon
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San Antonio Spurs and Charlie Cyr photography

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